



The Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

Matter of: Treadway Inn--Request for Reconsideration  
File: B-221559.2  
Date: July 31, 1986

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### DIGEST

1. Prior decision is affirmed where new information relied on in request for reconsideration provides no valid basis for modifying or overruling the prior decision.
2. The fact that only one responsive bid was received from a firm within the area covered by a solicitation's geographic restriction does not demonstrate that the agency was not justified in imposing the restriction to begin with, as the reasonableness of the decision to impose the restriction must be determined on the basis of the information available at the time the decision was made. Further, the procurement was not a sole source acquisition since the agency solicited nine firms within the geographically restricted area that could potentially meet its needs, and although only one responsive bid was received, it is clear that other facilities within the restricted area could meet the agency's requirements.

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### DECISION

Treadway Inn requests reconsideration of our decision denying its protest under invitation for bids (IFB) No. DAKF27-86-B-1000 issued by the Department of the Army. The IFB solicited bids to provide lodging and meals to military applicants being processed at the Military Entrance Processing Station (MEPS) in Wilkes-Barre, Pennsylvania.

Treadway, the incumbent contractor, protested an IFB provision restricting the competition to bidders having facilities within five miles of the MEPS. We denied that protest after concluding that the geographic restriction did not unduly restrict competition since the agency reasonably believed that it would improve efficiency and that adequate competition was available within the restricted area. Treadway Inn, B-221559, Mar. 10, 1986, 86-1 CPD ¶ 236.

We affirm our prior decision.

Treadway states that after we issued our original decision on its protest, it learned that the government's lease on the facilities occupied by the MEPS in Wilkes-Barre will expire on October 31, 1986,

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at which time the MEPS will be moved to a federal building in Scranton. Treadway notes that any contract awarded to a bidder within the restricted area will expire on April 30, 1987 or, if the 1-year option is exercised, on April 30, 1988. Therefore, Treadway argues, bidders with facilities within the Scranton area (which includes Treadway) should be permitted to participate in the competition since, for a minimum of one half of the 1-year base period, the MEPS will be located in Scranton.

The Army states that the MEPS in Wilkes-Barre in fact will not be moved until fiscal year 1988, at the earliest. This statement is supported by a letter from the General Services Administration advising the contracting officer that if any such move takes place, it will be no earlier than March 1988. Furthermore, the agency states that before exercising the option to extend the contract, it will verify the status of the proposed move. Thus, Treadway's new information appears to have no basis in fact, and provides no valid reason for reconsidering our prior decision.

After Treadway filed its request for reconsideration with our Office, bids in response to the IFB were received and opened as scheduled. Three facilities submitted bids, including Treadway and two facilities within the geographically restricted area. One of the latter was found nonresponsive because it bid on the option year only. Treadway submitted the low bid.

Treadway now argues that since the agency actually received only one responsive bid from a bidder within the restricted area, adequate competition within the area in fact was not available, and the Army was not justified in imposing the geographic restriction. The reasonableness of a contracting officer's decision must be determined on the basis of the information available when the decision was made. See Freund Precision, Inc., B-207426, Dec. 7, 1982, 82-2 CPD ¶ 509. Our initial decision found that the agency reasonably believed that adequate competition would be obtained, and the fact that only one responsive bid was received does not signify that the belief was unreasonable at the time.

In addition, Treadway argues that as only one responsive bid was received, this procurement amounts to a sole source acquisition which required that the Army comply with the procedures set out in the Federal Acquisition Regulation (FAR) for such procurements. We disagree. This is not a case where the Army determined that only one source could meet its minimum needs; rather it is a case where the Army determined that those needs potentially could be met by any one of the nine facilities it knew were located within five miles of the MEPS, and solicited all nine of those facilities. See FAR, 48 C.F.R. § 6.003 (1985).

Furthermore, we have found that a competitive IFB is not converted into a sole source procurement when only one bid is received if it can be demonstrated that firms other than the sole responsive bidder could have

met the requirements. Champion Road Machinery International Corp. et al., B-211587 et al., Dec. 13, 1983, 83-2 CPD ¶ 674. The record indicates that the one responsive bidder within the restricted area was not the only facility in the area that could have met the agency's requirements. In fact, the agency states that it received another bid from a facility within the restricted area, although the bid is non-responsive because it provided prices for the option period only. In addition, two other bidders within the area expressed an interest in bidding on future lodging requirements. Accordingly, we think it is apparent that more than one facility can meet the agency's requirements here, and therefore that the solicitation in actuality was not a sole source procurement. Id.

We affirm our prior decision.

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